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8 **IN THE UNITED STATES DISTRICT COURT**  
9 **FOR THE WESTERN DISTRICT OF WASHINGTON**  
10 **IN SEATTLE**

11 CRISTALLA CONDOMINIUM  
12 ASSOCIATION, a Washington nonprofit  
13 corporation,

14 Plaintiff,

15 v.

16 AFFILIATED FM INSURANCE  
17 COMPANY, a foreign insurance company,

18 Defendant.

No. 2:16-cv-1838

COMPLAINT FOR DECLARATORY  
RELIEF AND DAMAGES

**JURY DEMANDED**

19 Plaintiff Cristalla Condominium Association (the “Association”) alleges as follows:

20 **I. PARTIES**

21 1. The Association is a non-profit corporation organized under the laws of  
22 Washington. The members of the Association are owners of units that comprise Cristalla  
23 Condominium, located at 2033 2nd Avenue in Seattle, Washington.

2. On information and belief, Defendant Affiliated FM Insurance Company  
 (“AFM”) is a Rhode Island corporation with its principal place of business in Rhode Island.

1 **II. JURISDICTION & VENUE**

2 3. Subject matter jurisdiction is proper under 28 U.S. 1332(a)(1) because AFM  
3 and the Association are citizens of different states and the amount in controversy exceeds  
4 \$75,000, exclusive of interest and costs.

5 4. Venue is proper in this judicial district under 28 U.S.C. § 1391(b)(2) because a  
6 substantial part of the events or omissions giving rise to the claim occurred here, and under  
7 §§ 1391(b)(1), (c)(2), and (d) because AFM is subject to the Court's personal jurisdiction with  
8 respect to this action.

9 **III. CLAIMS**

10 5. AFM issued a series of property insurance policies to the Association,  
11 including policy number SE922 with a May 1, 2014 to May 1, 2015 policy period; and policy  
12 number TK193 with a May 1, 2015 to May 1, 2016 policy period.

13 6. The Named Insured under the Policies is Cristalla Condominium Association,  
14 and the property insured under the Policies includes the common elements of Cristalla  
15 Condominium.

16 7. On April 1, 2015, the Association submitted a claim for water damage to the  
17 Condominium.

18 8. AFM acknowledged the water damage was covered and, in May 2015, AFM  
19 paid the Association \$38,446.63 for covered damage.

20 9. No member of the Association or anyone on its behalf told AFM that the water  
21 damage that was the subject of the April 1, 2015 notice resulted from a single storm, a single  
22 rain event, or anything other than ongoing water intrusion.

1           10.     Before issuing the \$38,446.63 payment, AFM did not investigate whether the  
2 water damage resulted from a single storm, single rain event, or anything other than ongoing  
3 water intrusion.

4           11.     On July 24, 2015, the Association notified AFM that the water damage at the  
5 Condominium was more extensive than what AFM had previously identified and paid for.

6           12.     Notwithstanding the fact that AFM had acknowledged coverage for the water  
7 damage, AFM refused to issue any additional payment to the Association.

8           13.     An actual controversy exists between the Association and AFM concerning the  
9 rights and obligations of the parties under the Policies. The Association is entitled to a  
10 declaration regarding these rights and obligations, including a declaration that one or more of  
11 the Policies cover the unreimbursed water damage to the Condominium.

12           14.     AFM owes contractual duties to the Association under the Policies, which  
13 duties AFM has breached, proximately causing damage to the Association in an amount to be  
14 proven at trial.

15           15.     AFM violated 284-30-330(1) and 284-30-350(1), and as a result violated RCW  
16 48.30.015(5), by claiming that the AFM Policies require the insured to “identify the specific  
17 date that water damage occurred and the cost associated with each respective occurrence” to  
18 be entitled to coverage under the Policies.

19           16.     AFM violated WAC 284-30-330(2), WAC 284-30-330(3), and WAC 284-30-  
20 370, and as a result violated RCW 48.30.015(5), by failing to act reasonably promptly with  
21 respect to the Association’s claim and by failing to complete AFM’s investigation within 30  
22 days.



- ## V. JURY DEMAND

DATED this 29th day of November 2016.

By: s/Todd C. Hayes

Attorneys for Plaintiff